

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

COMMONWEALTH)	
ELECTRIC COMPANY)	
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)	D.T.E. 98-39-D

PETITION FOR APPROVAL OF FISCAL YEAR 1999
ENERGY CONSERVATION SERVICE PROGRAM BUDGET AND
RECOVERY OF PROGRAM OPERATING COSTS

Petition of Commonwealth Electric Company, pursuant to G.L. c. 25, § 19; G.L. c. 164 App., §§ 2-1 through 2-10; and 220 C.M.R. § 7.00 et seq., for approval by the Department of Telecommunications and Energy of Commonwealth Electric Company's proposed budget and allocation of program operating costs for the Energy Conservation Service Program for the period July 1, 1998 through June 30, 1999.

COMMONWEALTH ELECTRIC COMPANY

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Commonwealth Electric Company
One Main Street
Post Office Box 9150
Cambridge, MA 02142-9150

APPROVED BY THE COMMISSION ON JULY 29, 1998
A. Quincy Vale, Hearing Officer

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DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

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**PETITION FOR APPROVAL OF FISCAL YEAR 1999
ENERGY CONSERVATION SERVICE PROGRAM BUDGET AND
RECOVERY OF PROGRAM OPERATING COSTS**

Commonwealth Electric Company ("Company" or "Petitioner"), pursuant to G.L. c. 25, § 19; G.L. c. 164 App., §§ 2-1 through 2-10; and 220 C.M.R. §§ 7.00 et seq., requests approval by the Department of Telecommunications and Energy ("Department") of the Company's proposed budget and allocation of program operating costs for its residential energy conservation service ("ECS") program for the fiscal year July 1, 1998 through June 30, 1999 ("FY 1999"). In support of its Petition, the Company states the following:

1. The Company is a member utility of Mass-Save, Inc. ("MSI"), which provides ECS to the Company's customers on behalf of the Company.
2. The Company's share of MSI's proposed FY 1999 ECS program budget is \$620,766 (Exhibit CE-3).
3. The Company has complied with the applicable requirements established in G.L. c. 164 App., §§ 2-1 through 2-10; 220 C.M.R. §§ 7.00 et seq.; and Mass. Save, Inc., D.P.U. 85-189 (1985).
4. In support of this Petition, the Company hereby incorporates into this Petition the exhibits the Petitioner filed with the Department in support of its proposed budget and allocation of program operating costs. These exhibits are as follows:

Exhibit CE-1	Direct Testimony of Edward J. Schmidt, Jr. (May 13, 1998)
Exhibit CE-2	Calculation of Cost Recovery of FY 1999 ECS Program Costs (Appendix A to Direct Testimony)
Exhibit CE-3	Mass. Save, Inc. Budget (Appendix B to Direct Testimony)
Exhibit CE-4	Listing of FY 1998 Expenses/Revenues and ECS Program Invoices (Appendix C to Direct Testimony)
Exhibit CE-5	Analysis of Past Reconciling Adjustments (Appendix D to Direct Testimony)
Exhibit CE-6	Company Response to Information Request DTE-1 (June 2, 1998)

5. The Petitioner states that the documentation which the Company has provided to reconcile under-collections and over-collections from prior fiscal years is complete and accurate (Exhibit CE-2;Exhibit CE-5). The effect of these reconciling items for the Company is an under-collection of \$30,727 for the fiscal year July 1, 1997 through June 30, 1998 ("FY 1998") and an over-collection of \$105,189 for prior fiscal years (Exhibit CE-2). Adjusting the budget amount by these under- and over-collections results in a net amount of \$546,304 to be allocated to the ECS program out of revenues collected from the mandatory charge per kilowatthour to fund energy efficiency activities pursuant to G.L. c. 25, § 19 (Exhibit CE-2).

6. The Company states that its proposed FY 1999 ECS program budget, budget reconciliations, and proposed FY 1999 program operating costs are reasonable.

Wherefore, the Petitioner, Commonwealth Electric Company, hereby respectfully prays that the Department approve, after publication of notice, and as required by applicable law and regulations, Commonwealth Electric Company's proposed ECS budget and allocation of program operating costs for the months July 1, 1998 through June 30, 1999.

Respectfully Submitted

COMMONWEALTH ELECTRIC COMPANY

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Date: June 23, 1998